

Congress of the United States
Washington, DC 20515

April 8, 2020

Secretary Mnuchin
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Mnuchin:

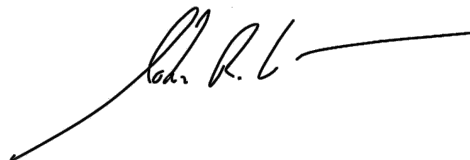
I write today requesting clarity on how the CARES Act could impact the hotel industry in my district. Because of the unique ownership and management structure of many hotels, unless clear guidance is created, hotels could potentially be excluded from the Payment Protection Program of the CARES Act.

As you know, the Payment Protection Program (PPP) allows small businesses to receive guaranteed, forgivable federal loans. Congressional intent is clear that hotels were to be a beneficiary of the PPP. Many communities, particularly throughout Utah rely on this vital industry for tourism, recreational, and work accommodations. In addition, they provide many good paying jobs, particularly in rural communities that often face higher rates of unemployment.

I have heard fears that the CARES Act may preclude owners of a hotel from being eligible for a PPP loan because often hotel owners are not the individual directly paying salaries and payroll taxes, instead utilizing a management company, which on paper creates confusion as to their eligibility status. I request the issuance of guidance which makes clear that the SBA's PPP Loan applies to hotels and other franchise businesses that use management companies for operations. Without this clarification, hotels will be unable to cover their operating costs and will be forced to lay off employees.

Thank you for your work to protect small businesses and I hope you will take action to ensure that the hotel industry is afforded the protections they were intended under the CARES Act.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Curtis", followed by a long horizontal flourish line extending to the right.

John Curtis
Member of Congress

cc: Jovita Carranza, SBA Administrator